BEFORE THE WESTERN WASHINGTON GROWTH MANAGEMENT HEARINGS BOARD

ALVIN ALEXANDERSON: DRAGONSLAYER. INC.; and MICHELS DEVELOPMENT L.L.C.,

Case No. 04-2-0008

Petitioners,

٧.

CLARK COUNTY,

Respondent.

ORDER FINDING CONTINUING NONCOMPLIANCE AND INVALIDITY

# I. SYNOPSIS

THIS Matter came before the Board at a compliance hearing on October 22, 2008. The Court of Appeals, Division II, reversed the Board's determination that it lacked subjectmatter jurisdiction on the basis that the Memorandum of Understanding (MOU) between Clark County and the Cowlitz Tribe (Tribe) constitutes a de facto comprehensive plan amendment. After remand to the Board, the Board found that Clark County had not provided for early and continuous public participation in the adoption of the MOU in violation of RCW 36.70A.020(11), RCW 36.70A.035, RCW 36.70A.140, and its own code provisions. The Board also declared the MOU substantially interfered with the GMA's public participation goal and imposed invalidity.

That Board decision was also appealed by the County. The Thurston County Superior Court affirmed the Board and an appeal of the Superior Court's decision is pending before the Court of Appeals.

On January 29, 2008, the Clark County Board of Commissioners adopted a resolution providing that unless the Order was overturned by the courts, the County would not enforce the MOU's provisions. On February 20, 2008, the Board issued an Order Finding

**COMPLIANCE ORDER** Case No. 04-2-0008 January 6, 2009 Page 1 of 14

Western Washington Growth Management Hearings Board 319 7th Avenue SE, Suite 104 P.O. Box 40953 Olympia, Washington 98504-0953 Phone: 360-586-0261

Continuing Noncompliance. The Board found the County's resolution did not cure the non-compliance since it neither repealed the MOU nor adopted it in accordance with the public participation requirements of the Growth Management Act (GMA).

Since that decision was issued, the County has held three public meetings to hear suggestions for how the MOU could be improved or revised, but has not completed the process set out in its code provisions for adopting or amending comprehensive plan amendments. Therefore, the Board finds the MOU continues not to comply with the GMA and substantially interferes with the GMA's public participation goals. The Board rejects Petitioners' request that due to the County's continuing noncompliance the Board recommend sanctions be imposed by the Governor.

## II. RELEVANT PROCEDURAL HISTORY

The Petition for Review in this case was filed on May 3, 2004 and challenged the adoption of Clark County Resolution No. 2004-03-02. That resolution approved the Memorandum of Understanding (MOU) between Clark County and the Cowlitz Indian Tribe concerning certain property that the Tribe seeks to have placed into trust status. The MOU was adopted to address use of the property once it is no longer in the County's jurisdiction by virtue of its trust status. On July 23, 2004, this Board entered an order dismissing the petition based on lack of subject-matter jurisdiction. The Board's order was appealed to the Thurston County Superior Court. The Superior Court affirmed the Board. Petitioners then appealed to the Court of Appeals, Division II. The Court of Appeals reversed the Board's determination that it lacked subject-matter jurisdiction on the basis that the MOU constitutes a *de facto* comprehensive plan amendment. The case was remanded to the Board and on June 15, 2007, this Board found, among other things, that "Clark County did not provide for early and

COMPLIANCE ORDER Case No. 04-2-0008 January 6, 2009 Page 2 of 14 Western Washington Growth Management Hearings Board 319 7<sup>th</sup> Avenue SE, Suite 104 P.O. Box 40953 Olympia, Washington 98504-0953 Phone: 360-586-0261

<sup>&</sup>lt;sup>1</sup> Order on Motion for Dismissal, July 23, 2004.

<sup>&</sup>lt;sup>2</sup> Alvin Alexanderson; Dragonslayer, Inc.; and Michels Development ,LLC v. the Board of Clark County Commissioners and the Western Washington Growth Management Hearings Board, Thurston No. 04-2-01723-5 (July 1, 2005).

<sup>&</sup>lt;sup>3</sup> Alexanderson v. Board of County Commissioners, 135 Wn. App. 541 (2006).

continuous public participation in the adoption of the MOU in violation of RCW 36.70A.020(11), RCW 36.70A.035, and RCW 36.70A.140 and Clark County Code Ch. 40.560."

The Board also declared the MOU substantially interfered with GMA's public participation goal and imposed invalidity. 

5

That Board decision was also appealed by the County. The Thurston County Superior Court affirmed the Board <sup>6</sup> and an appeal of the Superior Court's decision is pending before the Court of Appeals.<sup>7</sup>

On January 29, 2008, the Clark County Board of Commissioners adopted Resolution No. 2008-01-18.8 It provided:

Unless the Hearing Board's June 19, 2007 Order on Motion on Remand is overturned on further appellate court review, Clark County will not seek to implement or enforce its provisions.<sup>9</sup>

On February 20, 2008, the Board issued an Order Finding Continuing Noncompliance. The Board found County Resolution No. 2008-01-18 did not cure the non-compliance since it neither repealed the MOU nor adopted it in accordance with the public participation requirements of the Growth Management Act (GMA).

The County did not file a compliance report as required by the February 20, 2008 order nor did Petitioners object to this lack of filing. The Board held a compliance hearing on October 22, 2008. At the Board's request, the County filed a compliance report on November 4, 2008 and Petitioners filed Alexanderson's Response to County's Second Compliance Memorandum on November 14, 2008.

28

29

30

31

32

<sup>6</sup> Order Affirming Decision of the Growth Management Hearings Board, Thurston County Superior Court Cause No. 07-2-01398-6, December 14, 2007.

COMPLIANCE ORDER Case No. 04-2-0008 January 6, 2009 Page 3 of 14

<sup>&</sup>lt;sup>4</sup> Order on Motions on Remand, June 15, 2007 at 5.

<sup>&</sup>lt;sup>5</sup> Id. at 8.

<sup>&</sup>lt;sup>7</sup> Clark County Compliance Hearing Memorandum at 1 and Exhibit 3.

<sup>&</sup>lt;sup>8</sup> Exhibit 4 to Clark County Compliance Hearing Memorandum.

Resolution 2008-01-18, Section 1.

# III. BURDEN OF PROOF

For purposes of board review of the comprehensive plans and development regulations adopted by local government, the GMA establishes three major precepts: a presumption of validity; a "clearly erroneous" standard of review; and a requirement of deference to the decisions of local government.

Pursuant to RCW 36.70A.320(1), comprehensive plans, development regulations and amendments to them are presumed valid upon adoption:

Except as provided in subsection (5) of this section, comprehensive plans and development regulations, and amendments thereto, adopted under this chapter are presumed valid upon adoption.

This same presumption of validity applies when a local jurisdiction takes legislative action in response to a noncompliance finding; that legislative action is presumed valid. The only time that the burden of proof shifts to the County is when the County is subject to a determination of invalidity.<sup>10</sup> The Board found Clark County's Memorandum of Understanding with the Cowlitz Tribe invalid because:

If the MOU continues in effect, the ability of the public to have input into the County's decisions may be nullified, because the trust application process will proceed in reliance upon the MOU without public participation. <sup>11</sup>

Therefore, the County has the burden to demonstrate that the actions it has taken to comply with Board's January 15, 2007 Order on Motions on Remand and its February 20, 2008 Order Finding Continuing Noncompliance no longer substantially interfere with RCW 36.70A.020(11).<sup>12</sup>

<sup>&</sup>lt;sup>10</sup> RCW 36.70A.320(2) and (4).

<sup>&</sup>lt;sup>11</sup> Order on Motions on Remand at 8.

<sup>12</sup> RCW 36.70A.320(4) COMPLIANCE ORDER Case No. 04-2-0008 January 6, 2009 Page 4 of 14

Additionally, on legislative actions taken by a local jurisdiction in response to a finding of noncompliance, the statute further provides that the standard of review shall be whether the challenged enactments are clearly erroneous:

The board shall find compliance unless it determines that the action by the state agency, county, or city is clearly erroneous in view of the entire record before the board and in light of the goals and requirements of this chapter.

RCW 36.70A.320(3)

In order to find the County's action clearly erroneous, the Board must be "left with the firm and definite conviction that a mistake has been made." *Department of Ecology v. PUD1*, 121 Wn.2d 179, 201, 849 P.2d 646 (1993).

Within the framework of state goals and requirements, the boards must grant deference to local governments in how they plan for growth:

In recognition of the broad range of discretion that may be exercised by counties and cities in how they plan for growth, consistent with the requirements and goals of this chapter, the legislature intends for the boards to grant deference to the counties and cities in how they plan for growth, consistent with the requirements and goals of this chapter. Local comprehensive plans and development regulations require counties and cities to balance priorities and options for action in full consideration of local circumstances. The legislature finds that while this chapter requires local planning to take place within a framework of state goals and requirements, the ultimate burden and responsibility for planning, harmonizing the planning goals of this chapter, and implementing a county's or city's future rests with that community. RCW 36.70A.3201 (in part).

#### IV. ISSUE TO BE DISCUSSED

- Has Clark County taken any action to comply with the requirements for public participation in the adoption of its *de facto* comprehensive plan amendment in the MOU in order to comply with RCW 36.70A.020(11), RCW 36.70A.035, and RCW 36.70A.140 and Clark County Code Ch. 40.560? <sup>13</sup>
- 2. Should invalidity be continued?

Order Finding Continuing Noncompliance at 6 and 7.
 COMPLIANCE ORDER
 Case No. 04-2-0008
 January 6, 2009
 Page 5 of 14

32

3. Should sanctions be requested?

### V. DISCUSSION OF THE ISSUE

Noncompliance

### **Positions of the Parties**

# County's Position

The County maintains because the MOU is an interlocal agreement with a recognized Tribe that is a legally sovereign government, as opposed to a traditional comprehensive plan amendment, it cannot unilaterally revoke the agreement or change its terms. The County reports that it has met with the Cowlitz Tribe (Tribe) which has agreed to open the MOU for additional public comment and discuss and consider proposed changes to the agreement, but has made no commitment to change any provision.<sup>14</sup>

The County reports that it held three public hearings in April 2008 where the public was encouraged to suggest improvements, additions, deletions or changes to the MOU. The County relates that most of the public wanted to express opposition and/or support for the Tribal acquisition of this land or the Tribe's general or proposed uses for the land. The County explains that County Board members made a list of proposed MOU changes from the public hearing comments and forwarded them to the Tribe. The Tribe expressed a willingness to consider a few changes, but was not supportive of others. The County has asked the Tribe to reconsider some changes and has scheduled a meeting with the Tribe to discuss them. <sup>15</sup>

Based on the public hearings to date and planned future public meetings, the County asks for a finding of compliance<sup>16</sup>

<sup>&</sup>lt;sup>14</sup> Clark County's Second Compliance Hearing Memorandum at 2, 3, 4, and 7.

<sup>&</sup>lt;sup>15</sup> ld. at 5 and 6.

<sup>16</sup> Id. at 7. COMPLIANCE ORDER Case No. 04-2-0008 January 6, 2009 Page 6 of 14

# Petitioners' Position

Petitioners argue the only action that the County has taken to comply is to hold three public meetings. Petitioners contend that the purpose of these meetings was unclear. Therefore, these meetings did not invoke meaningful public participation. <sup>17</sup>

Petitioners assert Clark County has not fulfilled the public participations requirements delineated in the County code that requires public hearings on the proposed amendment by the planning commission and the Board of County Commissioners to adopt the MOU as a comprehensive plan amendment. <sup>18</sup> Petitioners also claim that it is significant that the County ignored the MOU when it made revisions to its comprehensive plan. According to Petitioners, the County ignored the MOU and instead sought to de-designate the same agricultural lands at issue in the MOU, an action the Board found to be noncompliant with the GMA.<sup>19</sup>

Petitioners also point out the County has yet to conduct the analysis required by the State Environmental Policy Act (SEPA) for comprehensive plan amendments.<sup>20</sup>

### **Board Discussion**

The Board's February 20, 2008 Order Finding Continuing Noncompliance stated:

The Board's Order on Motions on Remand found that the County had failed to comply with RCW 36.70A.020(11), RCW 36.70A.035, and RCW 36.70A.140 and Clark County Code Ch. 40.560 when it adopted the MOU. This finding was based on the County's stipulation that it had not followed its GMA processes in approving the MOU, since the County did not believe it was amending its comprehensive plan.

Since the County has not repealed the MOU, the *de facto* comprehensive plan amendment continues to fail to comply with the public participation requirements for adoption of such a legislative land use action under the GMA. Resolution No.

<sup>20</sup> Id. at 7.

<sup>&</sup>lt;sup>17</sup> Petitioners' Response to County's Second Compliance Memorandum at 2, 3, and 6.

<sup>&</sup>lt;sup>18</sup> Id. at 5.

<sup>&</sup>lt;sup>19</sup> Id.

2008-01-18 was not adopted in conformity with the County's public participation plan either (footnotes eliminated).

**Conclusion:** The County has not taken any action to comply with the requirements for public participation in the adoption of its *de facto* comprehensive plan amendment in the MOU. It therefore continues to be in non-compliance with RCW 36.70A.020(11), RCW 36.70A.035, and RCW 36.70A.140 and Clark County Code Ch. 40.560. <sup>21</sup>

The Court of Appeals, Division II, determined that the MOU constitutes a *de facto* comprehensive plan amendment.<sup>22</sup> The County earlier stipulated that the MOU was adopted without public participation. <sup>23</sup> CCC 40.560 establishes that amendments to comprehensive plans are a Type IV process. A Type IV process requires at least one public hearing conducted by the Planning Commission and one public hearing conducted by the Board of County Commissioners after the Planning Commission has made its recommendation according to CCC 40.510.040 (A) and (D) (3). CCC 40.510.040 requires SEPA analysis before the Board of County Commissioners makes it decision. While three public hearings have been conducted to solicit changes to the MOU, the County still has not repealed the MOU or adopted it according to its public participation procedures. The Board finds it hard to understand how the County can conclude its actions to date comply with the Board's orders.

**Conclusion:** The County still has not completed actions needed to comply with the GMA or its own public participation requirements in the adoption of its *de facto* comprehensive plan amendment in the MOU. The County continues to be in noncompliance with RCW 36.70A.020(11), RCW 36.70A.140, and CCC 40.560 and 40.510.

Invalidity

<sup>21</sup> Order Finding Continued Noncompliance at 5.

<sup>&</sup>lt;sup>22</sup> Alexanderson et al. v. WWGMHB et al., 135 Wn. App. 541, 551, 144 P.3d 1219, 2006 Wash. App. LEXIS 2285 (Division II, 2006).

Order on Motions on Remand at 5 and 9. COMPLIANCE ORDER
Case No. 04-2-0008
January 6, 2009
Page 8 of 14

Petitioners request that the finding of invalidity be maintained so that reviewing agencies cannot rely on the MOU and Clark County citizens will not be deprived of the opportunity to participate in the adoption of the MOU. <sup>24</sup>

The June 19, 2007 Order on Remand found Clark County's MOU with the Cowlitz Tribe invalid because:

If the MOU continues in effect, the ability of the public to have input into the County's decisions may be nullified, because the trust application process will proceed in reliance upon the MOU without public participation. <sup>25</sup>

Since the June 19, 2007 Order on Motions on Remand, the County adopted Resolution No. 2008-01-18 in which the County promised not to implement the MOU. The County also dedesignated the land in question as agricultural lands of long-term commercial significance, an action which the Board also found noncompliant and invalid. The Board found the Resolution 2008-01-18 did not achieve compliance because it neither repealed the *de facto* comprehensive plan amendment nor adopted the *de facto* amendment with the appropriate public participation process, so the MOU remained non-compliant. The Board has issued no order lifting invalidity since it was imposed in the June 19, 2007 Order on Remand. Both of these actions leave the County with a MOU in place that has not been adopted with the proper public participation process and that substantially interferes with RCW 36.70A.020(11) for the same reasons the Order on Motions on Remand imposed invalidity.

**Conclusion:** Based on the foregoing, the MOU continues to interfere with RCW 36.70A.020(11) and continues to be invalid.

#### Sanctions

Petitioners ask that the Board request sanctions be imposed on the County because the County is not proceeding in good faith. Petitioner contends the County's lack of good faith

<sup>25</sup> Order on Motions on Remand at 8.

P.O. Box 40953 Olympia, Washington 98504-0953 Phone: 360-586-0261

Fax: 360-664-8975

<sup>&</sup>lt;sup>24</sup> Id at 8 and 9.

See Karpinski v. Clark County, WWGMHB Case No. 07-2-0027c (Final Decision and Order, May 14, 2008).

COMPLIANCE ORDER

Case No. 04-2-0008

January 6, 2009

Page 9 of 14

P.O. Box 40953

effort is exemplified by the County's failure to take any action since the Board's June 2007 Order to comply, its focus on exclusively pursuing its case in the courts, and failure to submit a compliance report to the Board.<sup>27</sup> At argument, the County says turnover in the County's prosecutor office caused them to miss the compliance report's deadline.<sup>28</sup>

RCW 36.70A.330 (3) states,

If the board after a compliance hearing finds that the state agency, county, or city is not in compliance, the board shall transmit its finding to the governor. The board may recommend to the governor that the sanctions authorized by this chapter be imposed. The board shall take into consideration the county's or city's efforts to meet its compliance schedule in making the decision to recommend sanctions to the governor.

The Board disagrees with Petitioners that the County has not taken any action to attempt to comply with the Board's order since the June 2007 Order. The Board found Resolution No. 2008-01-18 did not cure the MOU's noncompliance with the GMA. However, the Board does not agree that the County's actions demonstrate a lack of motivation to comply with the Board's orders.

Pursuant to RCW 36.70A.300(3), the County has appealed the Board's decision in the June 19, 2007 Order on Motions on Remand, which is under review by the Court of Appeals, Division II. The Board also recognizes that the appeal of the Board's May 14, 2008 Final Decision and Order in *Karpinski* has implications for this case since the outcome of *Karpinski* affects the land at issue in the MOU. However, there is no evidence in the record that either court has granted the County a stay or that the County has asked for one, so the County is obligated to comply with the Board's order within the schedule set out by the Board.

<sup>28</sup> Id. at 10 and 11. COMPLIANCE ORDER Case No. 04-2-0008 January 6, 2009 Page 10 of 14

<sup>&</sup>lt;sup>27</sup> Id. at 10 and 11.

The record shows that the County has held public meetings to solicit suggestions on how to amend the MOU and scheduled a recent meeting with the Tribe to discuss ways to amend the MOU. The Board does not find that the notices for these meetings deterred meaningful public participation. Thus, the record shows the County is continuing to pursue a possible compliant amendment to the MOU. Nor is there any evidence in the record that the County has halted a public participation process to do this. Also, while the Board expects the County to comply with its deadlines for compliance reports, the Board accepts the County's reason for not submitting its compliance report in a timely way.

The Board also recognizes the complexities of working with a sovereign Native American Tribe and federal government authority.

**Conclusion:** Based on the foregoing, the Board will not request sanctions be imposed at this time.

### VI. FINDINGS OF FACT

- 1. Clark County is a county located west of the Cascade Mountains required to plan according to RCW 36.70A.040.
- 2. The Court of Appeals, Division II, has determined that the MOU constitutes a *de facto* comprehensive plan amendment.
- 3. The Board's Order on Motions on Remand found that the County had failed to comply with RCW 36.70A.020(11), RCW 36.70A.035, and RCW 36.70A.140 and CCC. 40.560 when it adopted the MOU.
- 4. The Board's February 20, 2008 Order Finding Continuing Noncompliance found the County has not taken any action to comply with the requirements for public participation in the adoption of its *de facto* comprehensive plan amendment in the MOU. Therefore the County continues to be in non-compliance with RCW 36.70A.020(11), RCW 36.70A.035, and RCW 36.70A.140 and CCC.40.560.

- 5. Clark County did not file a compliance report in a timely way as established by the Board's February 20, 2008 order.
- 6. Clark County filed Second Compliance Memorandum on November 4, 2008 when requested by the Board.
- 7. Petitioners filed Alexanderson's Response to County's Compliance Memorandum on November 14, 2008 as allowed by the Board.
- 8. Clark County held three public meetings to solicit public input on the Memorandum of Understanding on April 7, 10, and 15, 2008.
- There is no evidence in the record that shows Clark County has halted the public process.
- 10. The County has earlier stipulated that the MOU was adopted without public participation.
- 11. CCC.40.560 establishes that amendments to comprehensive plans are a Type IV process. A Type IV process requires at least one public hearing conducted by the planning commission and one public hearing conducted the Board of County Commissioners after the Planning Commission has made its recommendation according to CCC 40.510.040 (A) and (D) (3).
- 12. The County has not held a hearing before the Planning Commission or the Board of County Commissioners for the purposes of adopting the MOU as a comprehensive plan amendment.
- 13. CCC 40.510.040 requires SEPA analysis before the Board of County Commissioners makes it decision. The County has conducted no SEPA analysis on the adoption of the MOU.
- 14. The County has not completed the necessary actions to adopt the MOU as a comprehensive plan amendment pursuant to CCC 40.560 and CCC 50.510.040 (A) and (D).

Findings Related to Continuing Invalidity

- 15. The Board has not lifted invalidity since it was imposed by the Board's June 15, 2007 order.
- 16. The Board's June 15, 2007 Order on Remand found, "If the MOU continues in effect, the ability of the public to have input into the County's decisions may be nullified, because the trust application process will proceed in reliance upon the MOU without public participation.

### VII. CONCLUSIONS OF LAW

- A. The Board has jurisdiction over the subject matter and the parties in this case.
- B. Petitioners filed objections to a finding of compliance by the deadline established by the Board.
- C. The County continues to be in noncompliance with RCW 36.70A.020(11), RCW 36.70A.140, and CCC 40.560 and 40.510.
- D. The MOU continues to interfere with RCW 36.70A.020(11) and continues to be invalid.

# **VIII. ORDER**

Clark County must in bring its MOU with the Cowlitz Tribe into compliance with the GMA within 180 days of this order according to the following schedule:

Item	Date Due
Compliance Due on	July 15, 2009
Statement of Actions Taken and Index to Compliance	July 29, 2009
Record Deadline	
Objections to a Finding of Compliance Deadline	August 12, 2009
Response to Objections Deadline	August 26, 2009
Compliance Hearing	September 3, 2009

ENTERED this 6th day of January, 2009.

Holly Gadbaw, Board Member

COMPLIANCE ORDER Case No. 04-2-0008 January 6, 2009 Page 13 of 14 Western Washington Growth Management Hearings Board 319 7<sup>th</sup> Avenue SE, Suite 104 P.O. Box 40953 Olympia, Washington 98504-0953 Phone: 360-586-0261